Appl. No. 10/078,350 Amendment dated April 4, 2007 Reply to Office Action of January 4, 2007 RECEIVED CENTRAL FAX CENTER APR 0 4 2007

1326

NIT-331

REMARKS / ARGUMENTS

Claims 3 and 8 remain pending in this application. Claims 1-2, 4-7 and 9 have been canceled without prejudice or disclaimer. No new claims have been added.

## **Priority**

Applicants request that the Examiner acknowledge the claim for priority and safe receipt of the priority document. The priority document (JP 2002-002036, filed January 9, 2002) was filed with the original application. It is acknowledged in the Official Filing Receipt dated March 18, 2002, but has not yet been acknowledged by the Examiner.

### 35 U.S.C. §112

Applicants request clarification of the Examiner's rejection under this section.

Nevertheless, Applicants respond as follows in the hope of overcoming any potential issues being contemplated by the Examiner. Furthermore, the claims have been amended to more clearly define the invention being claimed.

As stated in the Background section of the present specification, users pay a rental fee for storage areas assigned to the users by a storage service provider (SSP) so that the users can store their data in this rented storage area (see specification, page 2,lines 5-9). According to an embodiment of the present

Appl. No. 10/078,350 Amendment dated April 4, 2007 Reply to Office Action of January 4, 2007 NIT-331

invention, an administrative computer which manages usage of storage devices keeps track of such usage. If a proposed storage set-up can be created by changing an existing user's storage set up, then the SSP proposes such a storage set-up. If the user requests a new set-up and the user's requirements are satisfied by changing the existing user's use conditions, the SSP presents the proposed set-up for changing use conditions. If the existing user agrees with this change in conditions, the SSP informs the user requesting the storage set-up that the storage area can be configured as requested. Then, the SSP applies a discount to the existing user, who has agreed with the change (see specification, page 4, line 23 to page 5, line 13).

Claims 3 and 8 recite the negotiating with users about their storage set-up and providing a discount to such users if such users allow portions of their storage devices to be rented to other users. The Examiner's attention is also directed to Fig. 4 and its corresponding description in the specification.

The Examiner is hereby invited to contact the undersigned by telephone in order to clarify any further questions.

#### 35 U.S.C. §103

The rejections under this section have been rendered moot by the cancellation of rejected claims without prejudice or disclaimer in order to expedite the issuance of subject matter indicated as being allowable.

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**NIT-331** 

Appl. No. 10/078,350 Amendment dated April 4, 2007 Reply to Office Action of January 4, 2007

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## Conclusion

In view of the foregoing, Applicants respectfully request that a timely Notice of Allowance be issued in this case.

Respectfully submitted,

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